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CIA Briefing to Secretary Shultz's Committee
on South Africa -- 10 July 1986

The African National Congress

The outlawed ANC is a small, externally based movement of not more than 10,000 members. It is also the most popular organization among South African blacks today, with a sympathetic audience of about 40 to 50 percent of the 23 million blacks in South Africa, according to some observers and polls.

The ANC, formed in 1912, was once a mass political movement of about 100,000 members, transformed itself into a small, hierarchical exile group after it was banned by the government in 1960 and driven underground. Its widespread popularity among South African blacks reflects several factors:

-- The ANC has a long, legitimate history as the most visible organization opposing apartheid.

-- It purposely concentrates its appeal on its broadest, most popular, least controversial program contained in its 1955 "Freedom Charter" which calls for a "united, democratic, and nonracial state."

-- Potential rivals to the ANC for the mantle of leading the antiapartheid struggle have not survived internal dissension, government suppression, and ANC efforts to eliminate the competition.

Inside South Africa, we believe the ANC remains poorly organized, albeit making some progress. The clandestine internal ANC organization, destroyed by the South African Government in the early 1960s, remains tenuous. The ANC benefits from the fact that it has many of its former members in South Africa. A number of these former members have been active in new legal, political and labor entities, providing the ANC with a body of well-placed sympathizers. We believe, however, that many of those who describe themselves as ANC sympathizers within South Africa are ANC allies rather than actual members of the semiclandestine ANC organization. As such, they are not necessarily responsive to ANC command or discipline.

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There are at least two identifiable factions in the ANC leadership -- the "old guard" black nationalists, epitomized by ANC President Oliver Tambo, and the South African Communist Party faction.

Question: Is the ANC Communist-Dominated?

The ANC was first targeted by the Soviet Union in 1928, when Moscow instructed the South African Communist Party to penetrate the ANC. The SACP is strongly pro-Soviet and well-represented in the ANC's leadership. While Communists account for only 25% of ANC membership, they hold a high percentage of key leadership positions. At least half of the members of the National Executive Council of the ANC are also members of the South African Communist Party (of approximately 30 members, 14 are Communists and 5 are suspected Communists).

The Soviet Bloc provides almost all (over 90 percent) of the ANC's military support and training. Most of the ANC's military training is conducted by Cuban and East German military advisors at several camps in Angola. Moscow keeps the ANC's military wing well supplied with automatic rifles, pistols, machineguns, bazookas, ammunition, grenades, explosives, detonators, mines, and other equipment such as some types of communications gear. The ANC most often uses Soviet limpet mines, grenades, and AK-47 rifles in its attacks, but also has fired Soviet 122-mm rockets and RPG-7 projectiles on several occasions. Most Soviet Bloc materiel for the ANC is offloaded in Angola and smuggled overland into South Africa via numerous ANC clandestine facilities scattered throughout neighboring states. We estimate that Moscow also provides the ANC with roughly half of its nonmilitary support; that is, about $25 million annually. The remainder comes from the Scandinavian states (Sweden in particular), the World Council of Churches, and various other international organizations such as the UN and the OAU.

Non-Communist ANC officials, led by President Oliver Tambo, have on several occasions taken steps to limit SACP influence, apparently with some success, and have tried to improve relations with China and the West. Communist influence in the ANC is particularly strong in the military wing and in the propaganda department. ANC delegations -- often led by SACP members -- have made regular visits to the Soviet Union during the last decade. SACP officials also are in frequent contact with Soviet officials in various southern African and European capitals. Most ANC literature is written in London by SACP members and printed in East Germany, and we suspect that the pervasive pro-Soviet, anti-US line in ANC propaganda is one of the prices the ANC's non-Communist leaders pay for vital Soviet Bloc support. The ANC's official political goals are listed in the 1955 Freedom Charter, which are mildly socialist but purposely vague to appeal to and attract the broadest coalition of antiapartheid support possible.

Among the non-Communist majority within the ANC rank and file there is another identifiable faction, a militant group of younger members who reject negotiations and clearly see violence as the only means for overthrowing the South African Government. While this group has thus far

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been excluded from the ANC leadership, it has begun to influence ANC policies -- most specifically the loosening of the ANC's heretofore strict rules of engagement for its military activities to include "soft" targets. Decisions made at the ANC's Second Consultative Conference last June paved the way for the shift, which has been reflected in subsequent ANC sabotage and paramilitary activity.

The ANC maintains a diplomatic and propaganda apparatus designed largely to solicit support from the international community and which maintains offices in 38 countries, and a military wing. The military wing, encompasses over half the ANC membership and is largely based in camps in Angola, with clandestine facilities in states bordering South Africa. There are 500 Cuban and East German advisers and trainers attached to these camps.

The diplomatic/propaganda effort of the ANC has been its most successful. With considerable aid from Soviet controlled and influenced governments and entities, the ANC has increasingly developed international fora for promoting itself and its programs. In the last two years the ANC's quest for legitimacy as the sole representative of the South African masses has registered particular success as Western governments have begun to consult with and acknowledge the ANC as a major actor -- if not the major actor -- in South Africa.

The ANC's military activity has increased dramatically during the unrest, even though the group remains unable to maintain much of an in-country military presence. Forced to send paramilitary teams hundreds of miles and across several borders and then exfiltrate them out imposes severe constraints on ANC capabilities and makes them highly vulnerable to South African Government counteraction. In the last year, the ANC has begun to increase its disruptive capabilities within South Africa by means of a limited program of arming the uncontrolled proviolence militants in the townships and expanding the targets of ANC paramilitary activities. Nonetheless, we do not believe the ANC will by means of its military wing seriously threaten South African Government control for many years.

The main ANC program of overthrowing the South African Government is receiving increased emphasis. The ANC attitude toward some form of negotiated settlement has been purposely obfuscated by the ANC leadership and the recent Commonwealth Eminent Person's Group effort concluded before the ANC was forced to declare itself. Intelligence strongly suggests that the majority of the leadership is extremely cynical about the benefits of talks at this time, with only the "old guard" leaders Tambo and Nelson Mandela apparently interested. The SACP faction opposes talks at this time. We believe this opposition to negotiations will deepen even further as Tambo and Mandela pass from the scene, as the Botha regime continues intransigent, and as the rank-and-file militants within the ANC wield greater influence in the next few years.

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Economic Vulnerabilities

South Africa dominates a regional economic network that provides significant economic benefits to neighboring black countries and gives Pretoria considerable regional leverage. We have little doubt Pretoria will make good on its threat to retaliate economically against neighboring countries if the West imposes new economic sanctions against South Africa. Such moves would impose major and immediate hardships on regional economies. Pretoria's neighbors have no ready or economically feasible alternatives to their dependence on Pretoria, and would feel the effects almost immediately. All will almost certainly turn to the West for relief.

The View from Pretoria

South Africa's major leverage comes from its control over transportation links and the flow of migrant labor.

-- Pretoria controls 75 percent of the region's rail network and has the area's most efficient ports.

-- Some 350,000 workers from neighboring states are legally employed in South Africa and probably between 200,000 and 700,000 work in South Africa illegally. Remittances from legal workers alone probably support some 3 million additional people in neighboring countries.

-- South Africa is a major supplier of chemicals, petroleum, machinery, finished consumer goods, and grain and other foods for the region. South Africans also have invested heavily in neighboring economies.

Pretoria earns about $1.2 billion in foreign exchange from trade and other economic ties to neighboring countries, but would suffer little if it imposed selective economic sanctions.

-- Pretoria would lose more than $100 million in revenue if it cut regional rail service.

-- Foreign workers makeup nearly 40 percent of the mining work force, but Pretoria is convinced -- probably rightly so -- that the dismissal of selected workers would cause only short-term disruptions given high regional unemployment.

Pretoria's Likely Moves

In the event of new Western economic sanctions, Pretoria's initial response probably will be measured, designed primarily to showcase its regional economic might and indicate to the West the cost of sanctions to the region.

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-- Pretoria's threat earlier this week to reduce revenues going to neighboring members of the regional customs union probably was in part a signal to the West that they mean business.

-- Opening salvos from Pretoria are likely to include expelling selected foreign workers or disrupting selected rail links.

-- Pretoria also could engage in a campaign of economic sabotage, perhaps attacking Zimbabwe's oil routes through Mozambique, or striking at Angola where its leverage is limited.

Summary of Regional Vulnerabilities

A review of trade and financial statistics shows that all neighboring states, except Angola, are vulnerable to South African economic retaliation.

Botswana

-- All petroleum products used in Botswana come via South Africa and most are refined there.

-- Nearly 19,000 Botswana miners are employed in South African mines.

-- About three-quarters of the grain and 80 percent of the fruits and vegetables consumed are imported from South Africa.

-- Receipts from the South African controlled Southern African Customs Union (SACU) account for over 20 percent of government revenues.

Lesotho

-- Over 95 percent of imports originate in South Africa and all exports are either sold to or must be transshipped through South Africa.

-- Remittances from the nearly 110,000 Basotho employed in South Africa account for about 50 percent of GDP.

-- The Electricity Supply Commission of South Africa (ESCOM) supplies 100 percent of Lesotho's electricity.

-- Receipts from the South African Customs Union (SACU) account for 70 percent of government revenues.

Malawi

-- Nearly 95 percent of Malawi's petroleum comes from South Africa.

-- Some 18,000 Malawians work in South Africa and provide the government with about $12 million in foreign exchange.

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Mozambique

-- More than 50,000 Mozambican miners work in South Africa and provide nearly 70 percent of the country's foreign exchange earnings.

-- ESCOM provides 60 percent of Mozambique's electricity.

Swaziland

-- Revenue from the Southern African Customs Union (SACU) accounts for over 60 percent of government revenues.

-- More than 13,000 Swazi miners work in South Africa.

-- South African firms own and operate major Swazi farms and tourist companies.

Zaire

-- More than 40 percent of the minerals exported in 1985 were shipped through South Africa.

-- Three-fourths of the food, petroleum, and chemicals used by Zairian mines and mills are imported through South Africa.

Zambia

-- Zambia's Ndola refinery receives some feedstock from South Africa.

-- Nearly half of Zambia's mineral exports are shipped by South African railway.

Zimbabwe

-- About 60 percent of Zimbabwe's export and import traffic utilizes the South African transport system.

-- South Africa is Zimbabwe's largest trading partner accounting for 20 percent of total trade.

Soviet Perspectives

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-- Beginning in 1983, the Soviet leadership began to accord Africa a higher priority in terms of Soviet global interests. This new Soviet interest in Africa has been centered primarily around developments in southern Africa.

-- The Central Committee of the Soviet Communist Party describes South Africa as of strategic importance to Moscow for three reasons:

- South Africa's important geographic position which commands both the Cape shipping route and the south Atlantic and south Indian Oceans.

- South Africa's possession of huge quantities of natural resources, especially rare metals of military significance.

- Moscow understands the enormous political significance that South Africa will have once it is ruled by a black government. The economic weight of South Africa, its educated and well-trained work forces, its developed economy, industrial capacity and infrastructure will enable a black South African Government to quickly assume a dominant, leading role on the continent, even overshadowing Nigeria and Ethiopia.

-- The Soviet Union sees as an important long-term strategic objective the overthrow of pro-Western South African government and its replacement by a regime "well-disposed" towards Moscow. The Soviets are keen to have the capability of denying South African resources, especially strategic minerals, to the West. In the medium term, Moscow seeks to undermine the influence of the West in South Africa and to remove South Africa as a "strategic pillar" of the Western alliance.

Soviet Assessments

The Soviets believe that the African National Congress is the principal vehicle for change in South Africa and views the SACP as their means of influence within the ANC.

The SACP is a protege of the Soviet Communist Party Central Committee, which funds and guides it. Moscow sees the ANC as a "progressive, well-disciplined revolutionary movement" and, going back to the Comintern days, has treated the ANC as its "natural ally" in the region deserving of financial, political, and military support. Moscow is actively working to expand its influence over the ANC which was founded by and continues to include significant elements that have nationalist agendas divergent from that of the SACP.

The Soviet Central Committee and other senior bodies appear convinced that the best way to advance Soviet interests in South Africa is by violence and armed struggle. Carefully directed violence, as Moscow sees

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it, will provoke counteraction and repression by the South African Government, which in turn will contribute to the polarization and politicization of the masses. Violence will disrupt the economy, lead to disinvestment by Western governments, and ultimately promote the collapse of the South African regime. Moscow does not wholly favor indiscriminate or uncontrolled violence because it could provoke massive repression that would set back the struggle.

Moscow is against a peaceful transformation of the South African system in which moderate opponents of the regime would dominate a post-apartheid government instead of pro-Moscow Marxist forces. While the Soviets -- and the SACP -- are not totally opposed to "negotiations," they believe that negotiations now would probably enhance the role of moderates and perhaps split the ANC. Moscow would likely find negotiations acceptable only as a method of transferring power to the ANC and SACP, with the "instruments of authority" being replaced by "revolutionary organs of government."

Moscow recognizes limitations on its ability to fully accomplish the above programs. Acknowledged Soviet limitations include:

-- Lack of reliable information on internal South African developments and concern that the SAG reform program could reduce the ANC's appeal and effectiveness.

-- Lack of complete control over the ANC.

-- Concern about the ANC's lack of political/military infrastructure within South Africa.

-- Acknowledgement of the South African Government's overwhelming military/security power.

The senior Soviet leadership see their South Africa programs as long-term efforts.

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